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DE RUEHLM #0984 3040703
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R 300703Z OCT 08
FM AMEMBASSY COLOMBO
TO RUEHC/SECSTATE WASHDC 8833
RUEATRS/DEPT OF TREASURY WASHDC
INFO RUEHKA/AMEMBASSY DHAKA 1123
RUEHIL/AMEMBASSY ISLAMABAD 8125
RUEHKT/AMEMBASSY KATHMANDU 6330
RUEHNE/AMEMBASSY NEW DELHI 2362
RUEHCG/AMCONSUL CHENNAI 8758
RUEHKP/AMCONSUL KARACHI 2403
RUEHBI/AMCONSUL MUMBAI 6166

UNCLAS COLOMBO 000984

SENSITIVE
SIPDIS

DEPT FOR ISN, T, AND NEA/IR

E.O. 12958: N/A

TAGS: EFIN MNUC PREL PARM KNNP CE MV

SUBJECT: SRI LANKA/MALDIVES: DESIGNATION OF IRANIAN
ENTITIES UNDER E.O. 13382

REF: SECSTATE 114408

¶1. (SBU) On October 28 the Ambassador delivered reftel points and FATF 1803 guidelines to Foreign Secretary Palitha Kohona. The Ambassador strongly urged the GSL to take local action against the Export Development Bank of Iran (EDBI) and to cease any activities the GSL may have with this institution and/or its affiliates. Kohona asked if these new U.S. restrictions would affect the GSL's future payments to Iran for oil. (Note: Sri Lanka imports approximately seventy percent of its oil needs from Iran. End Note.) Econ Chief noted that we would need specifics on exactly how Sri Lanka is transacting payments to Iran to know; however, any attempt to make payment via a U.S. financial institution to EDBI or its affiliates will be blocked. The Ambassador also explained that any entity within the GSL's jurisdiction that conducts business with EDBI or its affiliates may be subject to designation under E.O. 13382. He also underscored the GSL's responsibility under UNSCR resolutions, in particular UNSCR 1803. Kohona agreed to review the information provided and share it with appropriate agencies.

¶2. (U) Points were also delivered on October 28 to Lauza Ali, First Secretary of the Maldives High Commission in Colombo for transfer to the Maldives Monetary Authority and other relative government agencies, as well to Mr. Karunaratne, Director of the Sri Lankan Financial Intelligence Unit within the Central Bank.

Blake